

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In Re: § Case No. 09-39313
DEEP MARINE HOLDINGS, INC., § Jointly Administered
et al. § Chapter 11
Debtors. §

**TRUSTEE'S QUARTERLY REPORTING AFFIDAVIT FOR THE PERIOD
APRIL 1, 2011, THROUGH JUNE 30, 2011**

STATE OF TEXAS §
COUNTY OF DALLAS §

Before the undersigned notary public appeared John Bittner, who after being sworn testified as follows:

1. "My name is John Bittner. I am a partner with Grant Thornton LLP and the Liquidating Trustee for the Deep Marine Liquidating Trust (the "Trustee"), successor to the above-captioned debtors in these jointly administered bankruptcy cases (the "Debtors").

2. All of the facts set forth in this Affidavit are based on my personal knowledge, upon information supplied to me in the course of carrying out my duties as Trustee, upon my review of relevant documents, and upon my experience and knowledge of the Debtors' operations. If called upon to testify, I could and would testify competently to the facts set forth herein.

FACTUAL BACKGROUND

3. On December 4, 2009 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11, Title 11 of the United States Code (the "Bankruptcy Code") in the

United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Court").

4. On June 2, 2010, the Court held a hearing to consider confirmation of the Plan. Also on June 2, 2010, the Court entered its Order Confirming Debtors' Joint Plan of Reorganization and Approving Sale of Substantially All Assets (the "Confirmation Order") (doc. no. 516).

5. Pursuant to § 4.04 of the Plan and paragraphs twenty-eight (28) and twenty-nine (29) of the Confirmation Order, on July 9, 2010 (the "Effective Date"), I was appointed as Liquidating Trustee for the Debtors' estates. My duties as Liquidating Trustee include filing, prosecuting, and settling claim objections, prosecuting and settling any causes of action transferred to the Deep Marine Liquidating Trust pursuant to the Plan, and paying all lawful expenses, debts, charges, and liabilities of the Debtors. (See § 4.04 of the Plan).

6. I have examined the Schedules of Assets and Liabilities and Statement of Financial Affairs filed by each Debtor in these chapter 11 cases, and the proofs of claim filed in each of the Debtors' cases, along with the supporting documentation (if any) submitted with each proof of claim. In addition, I have inspected the Debtors' books and records in order to determine whether the various proofs of claim filed in these cases are accurate and represent bona fide liabilities. I have reviewed all loan documents relevant to the Debtors' businesses. I am familiar with the corporate structures of the Debtors and the process by which equity distributions will flow between the Debtors and the potential for multiple recoveries on certain claims. Accordingly, I have objected to the best of my ability to proofs of claim that do not represent bona fide liabilities. Most of these claim objections have been resolved, but a few claim objections are currently pending and will be heard by the Court in the coming months.

FINANCIAL MATTERS

7. **Exhibit A** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine Holdings, Inc. for the period April 1, 2011, to June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made.

8. **Exhibit B** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine Technology, Incorporated for the period April 1, 2011, to June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made.

9. **Exhibit C** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine 1, LLC for the period April 1, 2011, to June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made.

10. **Exhibit D** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine 2, LLC for the period April 1, 2011, to June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made.

11. **Exhibit E** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine 3, LLC for the period April 1, 2011, to June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made.

12. **Exhibit F** to this Affidavit lists all deposits, disbursements, and plan distributions made by the Liquidating Trust on behalf of Deep Marine 4, LLC for the period April 1, 2011, to

June 30, 2011, and the date on which those deposits, disbursements, and plan distributions were made."

Further, Affiant Saith Not.

Dated: August 4, 2011



John Bittner
Liquidating Trustee for the Deep Marine
Liquidating Trust
Partner
Grant Thornton LLP

SWORN TO AND SUBSCRIBED before me this 4 day of August, 2011 as witnessed
by my Hand and Seal of Office.

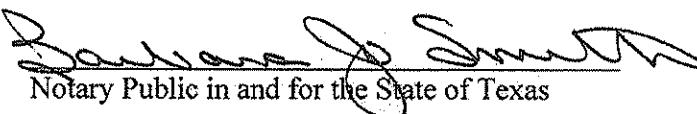
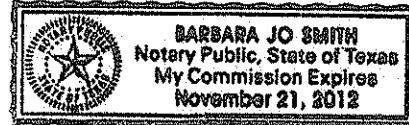

Notary Public in and for the State of Texas

EXHIBIT A

DEEP MARINE HOLDINGS LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

DEEP MARINE HOLDINGS LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
5/5/2011	U.S. Trustee	U.S. Trustee Fees	\$ 325.00
	Total Cash Disbursements for Trust Operating Expenses		\$ 325.00

DEEP MARINE HOLDINGS LIQUIDATING TRUST
PLAN DISTRIBUTIONS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
			\$ _____
		Total Plan Disbursements for Quarter	\$ _____

EXHIBIT B

DEEP MARINE TECHNOLOGY LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Nature of Receipts	Amount
4/11/2011	Refund of Insurance Premiums	\$ 55,010.85
4/24/2011	Interest Income	2,255.47
5/24/2011	Interest Income	1,978.89
6/20/2011	Consideration for Assignment of Interests	12,500.00
6/23/2011	Interest Income	1,023.81
Total Deposits for Quarter		<u>\$ 72,769.02</u>

DEEP MARINE TECHNOLOGY LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
4/1/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,217.94
4/1/2011	John Hudgens	Consulting Expense & Expense Reimbursement	488.08
4/1/2011	Amegy Bank	Bank Fees	40.00
4/10/2011	ADP	Miscellaneous Expense	200.00
4/11/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,180.00
4/11/2011	John Hudgens	Consulting Expense & Expense Reimbursement	454.40
4/11/2011	Amegy Bank	Bank Fees	40.00
4/12/2011	DOER Marine Operations	Inventory of Assets	5,137.00
4/12/2011	Amegy Bank	Bank Fees	20.00
4/13/2011	Hirsch & Westheimer	Mediation Fee	1,750.00
4/18/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,216.00
4/18/2011	Amegy Bank	Bank Fees	20.00
4/23/2011	ADP	Miscellaneous Expense	200.00
4/23/2011	Huisman	Rent Expense	3,000.00
4/23/2011	Recall	Document Storage	104.60
4/25/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,330.00
4/25/2011	John Hudgens	Consulting Expense & Expense Reimbursement	487.67
4/25/2011	Amegy Bank	Bank Fees	40.00
5/2/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,198.30
5/2/2011	Amegy Bank	Bank Fees	60.00
5/2/2011	Aon	Reimbursement of Excess Deposit Refund	18,682.60
5/10/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,180.00
5/10/2011	John Hudgens	Consulting Expense & Expense Reimbursement	941.92
5/10/2011	Amegy Bank	Bank Fees	40.00
5/11/2011	American Arbitration Assn	Litigation Expense	1,360.00
5/12/2011	ADP	Miscellaneous Expense	200.00
5/12/2011	Huisman	Rent Expense	1,500.00
5/12/2011	Recall	Document Storage	104.60
5/17/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	1,744.00
5/17/2011	John Hudgens	Consulting Expense & Expense Reimbursement	783.50
5/17/2011	Amegy Bank	Bank Fees	40.00
5/23/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	1,871.30
5/23/2011	Amegy Bank	Bank Fees	20.00
6/1/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,616.54
6/1/2011	John Hudgens	Consulting Expense & Expense Reimbursement	450.00
6/1/2011	Amegy Bank	Bank Fees	40.00
6/3/2011	Delaware Secretary of State	Franchise Tax	256.75
6/3/2011	Delaware Secretary of State	Franchise Tax	256.75
6/3/2011	Delaware Secretary of State	Franchise Tax	256.75
6/3/2011	Amegy Bank	Bank Fees	20.00
6/8/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	1,744.00
6/8/2011	John Hudgens	Consulting Expense & Expense Reimbursement	565.09
6/8/2011	Amegy Bank	Bank Fees	40.00
6/9/2011	Amegy Bank	Bank Fees	20.00
6/10/2011	McKool Smith	Legal Fees	500,000.00
6/10/2011	Amegy Bank	Bank Fees	20.00
6/14/2011	Amegy Bank	Bank Fees	20.00
6/15/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	1,744.00
6/15/2011	John Hudgens	Consulting Expense & Expense Reimbursement	3,404.94
6/15/2011	Amegy Bank	Bank Fees	40.00
6/20/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	1,912.30
6/20/2011	John Hudgens	Consulting Expense & Expense Reimbursement	1,275.00
6/20/2011	Amegy Bank	Bank Fees	50.00
6/28/2011	Anita Cutting	Consulting Expense & Expense Reimbursement	2,362.00
6/28/2011	John Hudgens	Consulting Expense & Expense Reimbursement	450.00
6/28/2011	Amegy Bank	Bank Fees	40.00
6/29/2011	American Arbitration Assn	Litigation Expense	13,690.00
6/29/2011	Huisman	Rent Expense	1,500.00
6/30/2011	McKool Smith	Legal Fees	1,570,347.89
6/30/2011	Neligan Foley	Legal Fees	21,740.65
6/30/2011	Grant Thornton LLP	Trustee Fees and Financial Advisory Fees	195,575.38
6/30/2011	ADP	Miscellaneous Expense	200.00
6/30/2011	Recall	Document Storage	104.60

Total Cash Disbursements for Trust Operating Expenses \$ 2,373,394.55

DEEP MARINE TECHNOLOGY LIQUIDATING TRUST
 PLAN DISTRIBUTIONS
 FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
5/5/2011	Priority Tax	Alief ISD	88.44
5/5/2011	Priority Tax	Cypress Fairbanks ISD	4,475.27
5/5/2011	Priority Tax	Harris County MUD #36	2,533.02
5/5/2011	Priority Tax	Harris County et al.	12,980.10
5/5/2011	Priority Tax	Spring ISD Tax Office	16,810.08
6/3/2011	B5	General Electric Capital Corporation	1,084,445.19
6/9/2011	B2/B5	Otto Candies LLC	13,068,313.00
Total Plan Disbursements for Quarter			<u>\$ 14,189,645.10</u>

EXHIBIT C

DEEP MARINE 1 LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Nature of Receipts	Amount
4/24/2011	Interest Income	1.15
5/24/2011	Interest Income	1.01
6/23/2011	Interest Income	<u>0.52</u>
Total Deposits for Quarter		\$ <u>2.68</u>

DEEP MARINE 1 LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
5/5/2011	U.S. Trustee	4th Quarter U.S. Trustee Fees	\$ 325.00
6/23/2011	Amegy Bank	Service Charge	\$ 12.00
Total Cash Disbursements for Trust Operating Expenses			<u>\$ 337.00</u>

DEEP MARINE 1 LIQUIDATING TRUST
PLAN DISTRIBUTIONS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
6/3/2011	C3	General Electric Capital Corporation	9,915,554.81
		Total Plan Disbursements for Quarter	\$ <u>9,915,554.81</u>

EXHIBIT D

DEEP MARINE 2 LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Nature of Receipts	Amount
4/14/2011	Interest Income	4,990.53
5/24/2011	Interest Income	4,372.20
6/24/2011	Interest Income	<u>1,683.01</u>
Total Deposits for Quarter		\$ <u>11,045.74</u>

DEEP MARINE 2 LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
4/10/2011	U.S. Trustee	U.S. Trustee Fees	\$ 29,803.46
5/5/2011	U.S. Trustee	U.S. Trustee Fees	\$ 1,625.00
6/23/2011	Amegy Bank	Service Charge	\$ 12.00
6/23/2011	Amegy Bank	Service Charge	\$ 12.00
Total Cash Disbursements for Trust Operating Expenses			<u>\$ 31,452.46</u>

DEEP MARINE 2 LIQUIDATING TRUST
PLAN DISTRIBUTIONS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
5/5/2011	D4	Caprock Communications	\$ 65,279.18
6/3/2011	Admin	General Electric Business Financial Services	\$ 690,378.30
6/9/2011	D2/D4	Otto Candies LLC	\$ 5,142,891.00
6/30/2011	Priority Tax	LaFourche Parish	\$ 488,593.00
Total Plan Disbursements for Quarter			<u>\$ 6,387,141.48</u>

EXHIBIT E

DEEP MARINE 3 LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Nature of Receipts	Amount
4/24/2011	Interest Income	1,686.72
5/24/2011	Interest Income	1,482.67
6/23/2011	Interest Income	<u>767.08</u>
Total Deposits for Quarter		\$ <u>3,936.47</u>

DEEP MARINE 3 LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
5/5/2011	U.S. Trustee	U.S. Trustee Fees	\$ 325.00
6/23/2011	Amegy Bank	Bank Fees	\$ 12.00
Total Cash Disbursements for Trust Operating Expenses			\$ <u>337.00</u>

DEEP MARINE 3 LIQUIDATING TRUST
PLAN DISTRIBUTIONS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
6/9/2011	E2/E4	Otto Candies LLC	\$ 5,004,736.00
6/30/2011	E4	Aramark Services	\$ 97,193.00
6/30/2011	E4	B&J Martin	\$ 79,653.00
6/30/2011	E4	BNA Marine Services, LLC	\$ 96,901.00
6/30/2011	E4	Bollinger Fourchon	\$ 34,533.00
6/30/2011	E4	CapRock Communications, LLC	\$ 46,673.00
6/30/2011	E4	Conrad Shipyard	\$ 302,257.00
6/30/2011	E4	Greenwood Marine	\$ 88,054.00
6/30/2011	E4	Inspectronics	\$ 450,000.00
Total Plan Disbursements for Quarter			<u>\$ 6,200,000.00</u>

EXHIBIT F

DEEP MARINE 4 LIQUIDATING TRUST
CASH RECEIPTS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Nature of Receipts	Amount
4/24/2011	Interest Income	\$ 2,196.38
5/24/2011	Interest Income	1,929.02
6/23/2011	Interest Income	998.01
Total Deposits for Quarter		<u>\$ 5,123.41</u>

DEEP MARINE 4 LIQUIDATING TRUST
CASH DISBURSEMENTS FOR TRUST OPERATING EXPENSES
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Payee	Nature of Expense	Amount
4/10/2011	U.S. Trustee	U.S. Trustee Fees	\$ 12,736.59
5/5/2011	U.S. Trustee	U.S. Trustee Fees	\$ 4,875.00
6/23/2011	Amegy Bank	Bank Fees	\$ 12.00
Total Cash Disbursements for Trust Operating Expenses			<u>\$ 17,623.59</u>

DEEP MARINE 4 LIQUIDATING TRUST
PLAN DISTRIBUTIONS
FOR THE PERIOD FROM APRIL 1, 2011 THROUGH JUNE 30, 2011

Date	Plan Class	Claimant	Amount
6/9/2011	F2/F4	Otto Candies LLC	\$ 4,584,060.00
		Total Plan Disbursements for Quarter	<u>\$ 4,584,060.00</u>